

NOTE: additions/deletions = language proposed for addition/deletion to existing Code provisions.

ORDINANCE NO.: 2003-12

AN ORDINANCE TO AMEND PROVISIONS OF THE HERNANDO COUNTY CODE OF ORDINANCES RELATING TO ECONOMIC DEVELOPMENT; ESTABLISHING CHAPTER 10.6 OF THE CODE ENTITLED "ECONOMIC DEVELOPMENT; RENUMBERING SECTIONS 21-82 THROUGH 21-86 AS 10.6-1 THROUGH 10.6-6; AMENDING SEC. 10.6-1 BY RENAMING TITLE; AMENDING SECTION 10.6-2 BY ADDING THE PROMOTION OF EFFORTS TO CREATE NEW JOBS IN THE COUNTY; AMENDING SECTION 10.6-3 BY ADDING DEFINITIONS FOR ABOVE ANNUAL AVERAGE WAGE, ANNUAL AVERAGE WAGE, BUILDING PERMIT FEES, IMPACT FEES, OFFICE OF BUSINESS DEVELOPMENT, QUALIFIED TARGETED INDUSTRIES, AND TARGETED INDUSTRIES; AMENDING SECTION 10.6-4 REGARDING THE EXPENDITURE OF PUBLIC FUNDS TO PROMOTE ECONOMIC DEVELOPMENT; ADDING SECTION 10.6-5 RELATING TO INCENTIVES FOR ATTRACTING TARGETED INDUSTRIES TO LOCATE WITHIN THE COUNTY; ADDING SECTION 3-33 ESTABLISHING CRITERIA FOR GROUND LEASES AT THE HERNANDO COUNTY AIRPORT AND PROVIDING FOR INITIAL LEASING INCENTIVES; PROVIDING FOR SEVERABILITY AND INCLUSION IN THE CODE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, it is the intent of the Board of County Commissioners to establish and further a sound economic tax base within the County and to redistribute the burden of taxes away from single family homeowners; and,

WHEREAS, a sound and balanced economic base is dependent on a diversified property tax base where industrial and business uses help to balance residential and agricultural uses; and,

WHEREAS, a sound and balanced economic base is dependent on having a sufficient supply of local jobs which pay equal to or greater than prevailing Annual Average Wage for Hernando County; and,

WHEREAS, the Final Report of the *Hernando County Economic Development Study* prepared by the University of Florida in 2001 stated: "Economic development is a highly competitive and complex activity. Cities, counties, states, and even entire regions routinely compete with each other for attracting corporate investments, tourists, and new residents;" and,

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FILED
TAMPA COUNTY CLERK
OFFICE OF THE CLERK
1000 N. GORRISON ST.
TAMPA, FL 33602

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1 **WHEREAS**, persons who responded to the University of Florida's economic survey
2 conducted in 2001 and to the Hernando County Planning Department's survey conducted in 2002
3 uniformly listed expansion of job opportunities and the existence of better paying jobs within
4 Hernando County as one of the top issues for this County; and,
5

6 **WHEREAS**, the Annual Average Wage for workers in Hernando County in 2001 was
7 \$24,973 (according to the most recently published data by Florida Agency for Workforce
8 Innovation, Labor Market Statistics); and,
9

10 **WHEREAS**, using a recognized economic multiplier of "four," every new job created in
11 Hernando County equal to or greater than the Annual Average Wage has a cumulative impact of
12 over \$100,000 annually on the local economy; and,
13

14 **WHEREAS**, certain types of industries and businesses (such as clean manufacturing
15 facilities; finance and insurance services; wholesale trade, information industries, professional,
16 scientific and technical services; management services; and administrative and support services)
17 are highly desirable to local economies because they greatly enhance the property tax base through
18 new development and because they employ persons at or above the Annual Average Wage; and,
19

20 **WHEREAS**, every company that creates at least ten (10) new jobs which pay equal to or
21 greater than the Annual Average Wage for Hernando County has a fiscal impact of over
22 \$1,000,000 a year on the local economy (not counting the increase in the property tax rolls); and,
23

24 **WHEREAS**, Hernando County is in strong competition with Citrus, Sumter, Pinellas,
25 Hillsborough, Pasco, and adjoining counties--and even other states--for these types of targeted
26 industries and businesses; and,
27

28 **WHEREAS**, the Annual Average Wage of workers in Hernando County is currently
29 below that of Citrus, Sumter, Pinellas and Hillsborough counties; and,
30

31 **WHEREAS**, it is the intent of the Board of County Commissioners that Hernando County
32 be competitive in its efforts to attract targeted industries and businesses to locate within Hernando
33 County; and,
34

35 **WHEREAS**, the location of these targeted industries and businesses will enhance and
36 broaden the County's tax base and create a multiplier effort for the local economy by creating new
37 jobs which pay equal to or greater than the Annual Average Wage for Hernando County; and,
38

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1 **WHEREAS**, it is in the best interest of all residents of Hernando County that the County
2 attract and retain the types of quality targeted industries and businesses described herein through
3 enactment of incentives and inducements; and,
4

5 **WHEREAS**, in 1982 the County started the development of a 155 acre Industrial Park at
6 the Hernando County Airport dedicated to the leasing of lands for industrial development within
7 the County, and subsequently initiated a 650 acre phased Corporate AirPark development, and
8 further established a 60 acre Airport RailPark for heavier industry needing rail access; and,
9

10 **WHEREAS**, the Airport's Industrial Park, Corporate AirPark, and RailPark are additional
11 assets available for recruiting new industries and businesses to Hernando County; and,
12

13 **WHEREAS**, in 1987, the County enacted Ord. 87-5 entitled the "Hernando County
14 Industrial Promotion Ordinance;" however, this Ordinance does not go far enough to address the
15 desires and issues above; and,
16

17 **WHEREAS**, in 2002, the County passed Resolution No. 2002-310 approving fees and
18 charges for the Development Department, and stated therein:
19

20 **"WHEREAS**, the Board of County Commissioners may waive building or
21 zoning permit fees for any person, firm, business, non-profit organization, or
22 governmental entity, provided sufficient funds to cover permitting fees will be paid
23 to the Development Department by the Board;"
24

25 **NOW THEREFORE:**
26

27 **BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF**
28 **HERNANDO COUNTY, FLORIDA:**
29

30 **SECTION 1. Creation of Economic Development Chapter.**
31

32 Chapter 10.6 of the Hernando County Code of Ordinances is hereby created. This Chapter shall
33 be entitled "Economic Development."
34

35 **SECTION 2. Amending Hernando County Industrial Promotion Ordinance.**
36

37 Chapter 21 (Offenses and Miscellaneous Provisions), Article V (Industrial Promotion), Sec. 21-82
38 through 21-86 (Ord. No. 87-5 dated 2-10-87), are hereby renumbered as Chapter 10.6, Article

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1 I, Sec. 10.6-1 through 10.6-4. These provisions are further amended to read as follows, with
2 underlined matter added and struck-through matter deleted:

3
4 Sec. ~~21-82~~: 10.6-1 Short title.

5
6 This article shall be known as and may be cited as the "Hernando County Industrial and
7 Business Promotion Ordinance Article."

8
9 Sec. ~~21-83~~: 10.6-2. Finding of facts and purpose.

10
11 ~~(a) It is the common interest and will promote the general welfare of the people of~~
12 ~~Hernando County to establish a sound economic base in the county.~~

13
14 ~~(a) (b) In order to establish a sound economic base, the active promotion of Hernando~~
15 ~~County to industrial and commercial entities that may desire to locate or relocate in Hernando~~
16 ~~County would provide benefits to all the people of Hernando County. It is the intent of the Board~~
17 ~~of County Commissioners to establish and further a sound business and industrial tax base in~~
18 ~~Hernando County and which tax base will benefit all residents in Hernando County by better~~
19 ~~redistributing the burden of taxes. This is accomplished by attracting targeted industries and~~
20 ~~businesses to locate within the County and through expansion of existing industries and~~
21 ~~businesses. This is further accomplished by attracting those businesses and industries that pay~~
22 ~~equal to or greater than the Annual Average Wage to locate in the County.~~

23
24 ~~(b) (e-)~~ It is the intent and purpose of this article to provide the authority and mechanisms
25 within the parameters of judicial, federal, state and local laws for such promotions and to allow
26 the expenditure of public funds for such purposes.

27
28 Sec. ~~21-84~~: 10.6-3. Definitions.

29
30 As used in this section:

31
32 Above Annual Average Wage means 115% or greater of the Annual Average Wage for
33 Hernando County.

34
35 Annual Average Wage means the annual average wage paid to workers in Hernando
36 County as published by the State of Florida, Agency for Workforce Innovation, Labor Market
37 Statistics, for the most current year published.

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1 Building Permit Fees are those fees charged by Hernando County for construction,
2 erection, modification, repair and demolition activities within the County which are governed
3 under the Florida Building Code and charged pursuant to § 553.80, Florida Statutes, and Chapter
4 8, Art II, Div. 4 of this Code.

5
6 Impact Fees are those fees charged by Hernando County relating to new development and
7 redevelopment activities within the County and charged pursuant to Chapter 23, Art. III of this
8 Code.

9
10 Industrial development means the development and redevelopment of any commercial or
11 industrial facilities.

12
13 Office of Business Development (OBD) is a department within Hernando County under the
14 County Administrator that is responsible for promoting and furthering business and economic
15 development within the County including, without limitation, engaging in marketing, advertising,
16 promotional and other efforts to attract new businesses and industries to locate within the County,
17 and further engaging in such efforts to encourage existing business and industries located within
18 the County to expand, and further engaging in such efforts to improve the County's industrial and
19 business property tax base, and further engaging in such efforts which further the creation of new
20 jobs within the County which pay equal to or greater than the Annual Average Wage for
21 Hernando County.

22
23 Promotion means to encourage the existence or progress of industrial, and ~~commercial~~
24 business development within Hernando County, Florida.

25
26 Qualified Targeted Industry (QTI) are those industries and businesses serving multi-state
27 and/or international markets and that are able to create new jobs at greater than the Annual
28 Average Wage for Hernando County (and specifically excluding all retail activities, utilities,
29 mining and other extraction or processing business, and activities regulated by the Division of
30 Hotels and Restaurants of the Department of Business and Professional Regulation) and which
31 have been further approved by the State as a QTI pursuant to § 288.106, Florida Statutes.
32 Examples of QTIs include: manufacturing facilities; finance and insurance services; wholesale
33 trade, information industries, professional, scientific and technical services; management services;
34 and administrative and support services.

35
36 Targeted Industry (TI) are those industries and businesses serving multi-state and/or
37 international markets and that are able to create new jobs at equal to or greater than Annual
38 Average Wage for Hernando County (and specifically excluding all retail activities, utilities,
39 mining and other extraction or processing business, and activities regulated by the Division of

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1 Hotels and Restaurants of the Department of Business and Professional Regulation) and which
2 have been certified as a TI by the Hernando County Office of Business Development. Examples
3 of TIs include: clean manufacturing facilities; finance and insurance services; wholesale trade;
4 information industries, professional, scientific and technical services; management services; and
5 administrative and support services. In determining whether an industry or business initially
6 qualifies as a TI, the Director of the Office of Business Development shall be guided by whether
7 said industry or business is listed in the list of target industries prepared by Enterprise Florida,
8 Inc. in connection with the QTI program.

9
10 Sec. ~~21-85~~: 10.6-4. Expenditure of public funds.

11
12 The County Administrator or his designee may expend funds which are budgeted for
13 business and industrial promotion purposes pursuant to the provisions of Chapters 125 and 129,
14 Florida Statutes, as follows:

15
16 (a) To publicize, advertise and promote Hernando County;

17
18 (b) To make known the advantages, facilities, resources, products, attractions, ~~and~~
19 attributes, employer opportunities, and business and development incentives, of Hernando County;

20
21 (c.) To create a favorable climate of opinion concerning industrial and business
22 development in Hernando County;

23
24 (d) To cooperate with other agencies, public and private, including the State of Florida
25 Agency for Workforce Innovation and Enterprise Florida, Inc., to accomplish these purposes;

26
27 (e) To provide meals, hospitality and entertainment of persons in the interest of promoting
28 industrial or business development or engendering goodwill toward new industrial or business
29 development;

30
31 (f) To further the operations and activities of the Office of Business Development;

32
33 (g) To encourage and facilitate the creation of new jobs within the County which pay equal
34 to or greater than the Annual Average Wage for Hernando County;

35
36 (h) To attract Qualified Targeted Industries and Targeted Industries to locate to, relocate
37 in, or expand within Hernando County; and for the County, through Office of Business
38 Development, to participate with the State of Florida Office of Tourism, Trade and Economic

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1 Development (OTTED) and Enterprise Florida, Inc. in the local match requirements offered to
2 Qualified Targeted Industries regarding the creation of new jobs;

3
4 (i) To further an 'Economic Element' as part of the County's comprehensive plan pursuant
5 to s. 163.3177(7)(j), Florida Statutes;

6
7 (j) To identify and define specific or targeted areas within Hernando County where new
8 industrial and business development should be promoted or where County-based incentives are
9 provided.

10
11 **SECTION 3. Incentives Designed to Attract Targeted Industries.**

12
13 Chapter 10.6, Art. I, Hernando County Code of Ordinances, is hereby amended to read as
14 follows, with underlined matter added and struck-through matter deleted:

15
16 Sec. 10.6-5. Incentives for Attracting Targeted Industries to Locate within Hernando County.

17
18 (a) Incentives Relating to Building Permit Fees.

19
20 (1) Targeted Industries that have been certified as a TI by the Office of Business
21 Development and which through new development create at least ten (10) new full-time jobs
22 within the County which pay equal to or greater than the Annual Average Wage for Hernando
23 County will be eligible to have all of its Building Permit Fees deferred for seven (7) years, and
24 at the end of the deferral period, the County will forego and forgive all Building Permit Fees
25 providing the TI still meets all of the original eligibility requirements for a TI (at the County's
26 option, the requirements will be specified in a developer's agreement between the TI and the
27 County).

28
29 (2) The amount of Building Permit Fees deferred for all eligible Targeted Industries
30 in any given fiscal year shall be capped as provided herein. The total amount of Building Permit
31 Fees deferred by the Hernando County Building Department shall not exceed one percent (1.0%)
32 of the Department's total operating budget for each fiscal year without obtaining the approval of
33 the Board of County Commissioners. Funds necessary to replace the Building Permit Fees
34 deferred in any given fiscal year shall be replaced by the County from any lawful funds other than
35 Building Permit Fees.

36
37 (3) In the event the TI closes its business, moves out of Hernando County, or loses
38 its status as a TI at any time during the seven year deferral period, the TI will be required to pay
39 to the County all Building Permit Fees which have been deferred. As a condition for receiving

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1 the deferral of Building Permit Fees, the TI, and the landowner as may be appropriate, will
2 execute the appropriate covenants in favor of the County to enable the County to enforce the
3 restrictions and conditions in this Section. The covenants described in this Section may, at the
4 County's option, be part of the developer's agreement described above, and may be recorded
5 against the subject property in the Public Records of Hernando County.

6
7 (b) Incentives Relating to Impact Fees.

8
9 (1) Targeted Industries that have been certified as a TI by the Office of Business
10 Development and which through new development create at least ten (10) new full-time jobs
11 within the County which pay Above Annual Average Wage for Hernando County will be eligible
12 to have all of its Impact Fees deferred for seven (7) years, subject to the cap in subsection (2)
13 below, and at the end of the deferral period, the County will forego and forgive all deferred
14 Impact Fees providing the TI still meets all of the original eligibility requirements for a TI (at the
15 County's option, the requirements will be specified in a developer's agreement between the TI and
16 the County).

17
18 (2) Notwithstanding anything to the contrary, the total amount of Impact Fees
19 deferred under subsection (1) above shall be capped at, and not exceed, \$50,000 for each and
20 every eligible Targeted Industry. This cap shall apply to each TI and is not intended as a
21 cumulative cap where there are two or more eligible TIs in any given year. In the event that an
22 eligible TI has Impact Fees in excess of \$50,000, said TI shall be required to pay to the County
23 all Impact Fees calculated in excess of \$50,000 ("Excess Fees Paid"); however, providing said
24 TI remains in full compliance with the terms of this Section and with such developer's agreement
25 as required by the County, then beginning in year two, and each year thereafter, the County will
26 refund said TI in an amount equal to 20% of the Excess Fees Paid until said TI has received all
27 of its Excess Fees Paid refunded in full (refunding being prorated over a five year period from
28 years two through six). Funds necessary to replace the Impact Fees deferred and/or refunded in
29 any given fiscal year shall be replaced by the County from any lawful funds other than Impact
30 Fees.

31
32 (3) In the event the TI closes its business, moves out of Hernando County, or loses
33 its status as a TI at any time during the seven year deferral period, the TI will be required to pay
34 to the County all Impact Fee which have been deferred and/or refunded. As a condition for
35 receiving the deferral and/or refund of Impact Fees, the TI, and the landowner as may be
36 appropriate, will execute the appropriate covenants in favor of the County to enable the County
37 to enforce the restrictions and conditions in this Section. The covenants described in this Section
38 may, at the County's option, be part of the developer's agreement described above, and may be
39 recorded in the Public Records in Hernando County.

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1 (c.) Targeted Industries that qualify under this Section shall also be eligible for expedited
2 plan review and permitting by the applicable County Departments.

3
4 (d) The incentives in this Section are not exclusive and eligible Targeted Industries may
5 apply for as many incentives as they qualify for in this Section or other provisions of the Code.
6 Further, the incentives in this Section do not preclude an industry or business from applying or
7 qualifying for or participating in other federal, state or local programs.

8
9 **SECTION 4. Airport Leases.**

10
11 Chapter 3 (Airports and Aviation), Article II (Aviation Authority) is hereby amended to read as
12 follows, with underlined matter added and struck-through matter deleted:

13
14 Sec. 3-33. Airport Leases.

15
16 (a) All leases at the Airport shall be at Fair Market Value Rent (FMVR) in accordance
17 with the regulations, rules and orders of the Federal Aviation Authority (FAA) applicable to
18 surplus military airports. All leases shall include a provision whereby the rent is adjusted at least
19 every five (5) years during the life of the lease, and including any renewals or extensions thereto,
20 to reflect Fair Market Value Rent at time of adjustment. Fair Market Value Rent shall be based
21 upon current appraisal methodology performed in accordance with the Uniform Standards of
22 Professional Appraisal Practice (USPAP).

23
24 (b) In order to attract new non-aeronautical tenants to locate within the Airport's Corporate
25 AirPark, Industrial Park and RailPark, the Airport Director, in his or her discretion, may offer
26 leasing incentives as provided herein on all ground leases at least thirty (30) years in duration and
27 where the tenant pays for the costs of all improvement (i.e. constructing the building and other
28 improvements). The leasing incentives shall be limited to the first five (5) years of the lease term
29 and shall be based on a sliding scale in which one hundred percent (100%) of Fair Market Value
30 Rent is obtained by the fifth year. All leases shall be subject to review and approval by the
31 Aviation Authority and the Board of County Commissioners. All leases are subject to further
32 review and approval by the FAA.

33
34 **SECTION 5. Severability.**

35
36 It is declared to be the intent of the Board of County Commissioners that if any section,
37 subsection, clause, sentence, phrase, or provision of this ordinance is for any reason held
38 unconstitutional or invalid, the invalidity thereof shall not affect the validity of the remaining
39 portions of this ordinance.

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1 **SECTION 6. Inclusion in the Code.**

2
3 It is the intention of the Board of County Commissioners of Hernando County, Florida,
4 and it is hereby provided, that the provisions of this Ordinance shall become and be made a part
5 of the Code of Ordinances of Hernando County, Florida. To this end, any section or subsection
6 of this Ordinance may be renumbered or relettered to accomplish such intention, and the word
7 "ordinance" may be changed to "section, "article," or other appropriate designation.
8

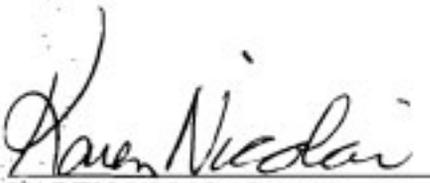
9 **SECTION 7. Effective date.**

10
11 This ordinance shall take effect immediately upon receipt of official acknowledgment from
12 the office of the Secretary of State of Florida that this ordinance has been filed with said office.
13

14 **BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF HERNANDO**
15 **COUNTY** in Regular Session this 3rd day of June, 2003.

16
17 **BOARD OF COUNTY COMMISSIONERS**
18 **HERNANDO COUNTY, FLORIDA**

19
20
21 Attest:

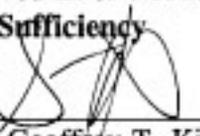

22 KAREN NICOLAI
23 Clerk

By:


24 MARY E. WHITEHOUSE
25 Chairperson

26 **Approved as to Form and**
27 **Legal Sufficiency**

28
29 By:


30 Geoffrey T. Kirk
31 Assistant County Attorney